

REPORT ON THE REVIEW OF THE  
CONTROL OF APPROPRIATION AND  
SPECIAL LIMITATION IN

CENTRAL INTELLIGENCE AGENCY

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*O.K.  
K.H.*

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1. General

a. CIA is an independent agency established pursuant to Section 102, National Security Act of 1947, Public Law 253 - 80th Congress. The authority for the administration of CIA is provided in Public Law 110 - 81st Congress.

b. The budget and accounting regulations issued by the Agency set forth the system of administrative control over Agency funds and are in conformance with the requirements of Section 1211 of the General Appropriation Act, 1951 Public Law 759 - 81st Congress (Section 3679 Revised Statutes as amended) and comply with Budget-Treasury Regulation No. 1 issued by the Bureau of the Budget and the Treasury Department September 1950.

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2. Agency Method of Control

a. The administrative accounts are maintained by the Agency by the use of a conventional allotment ledger system. No obligations may be incurred or expenditures made in behalf of any project or activity until an approved allotment has been issued and an adequate balance is available for such obligation or expenditure. The concept of obligations is in conformance with Budget-Treasury Regulation No. 1 and obligations and expenditures are recorded currently to the accounts. Vouchers paid from appropriated funds receive the usual examination and certification by the Agency and are subsequently audited by the GAO

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through the approved site audit procedure. The Agency also performs an interval audit of its accounting records and activities.

3. Summary Conclusions

a. The control of appropriated funds in the Central Intelligence Agency conforms to the pertinent laws and regulations and appears to be adequate. Due to the nature of the operations of the Agency, there are no specific and/or special limitations placed on the funds appropriated for the Agency.